

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2266 – SB3484

March 16, 2012

SUMMARY OF BILL: Requires a clerk of a court to notify an individual of the results of a delinquent property tax sale, when such individual has notified the clerk of a legal claim to the proceeds of the sale. Notice to the individual will be governed by the Tennessee Rules of Civil Procedure and addresses of individuals with a legal claim to the proceeds shall be obtained from the assessor of property.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – There will be a shift in local government expenditures and responsibilities from the delinquent tax attorney to the clerk of the court resulting in a not significant net impact to local governments.

Assumptions:

- According to the Tennessee Association of Property Tax Professionals (TAPTP), the functions prescribed in this bill are currently executed by the county delinquent tax attorney, in conjunction with the clerk of court.
- Pursuant to Tenn. Code Ann. § 67-5-2502 (c) the delinquent tax attorney shall make a reasonable search for parties having an interest in the property to be sold in a delinquent tax sale, as well as provide identified persons with notification of the sale.
- According to TAPTP, the Tennessee Rules of Civil Procedure delegates the procedures to follow if an individual having a legal claim to the property been omitted from notification.
- According to TAPTP, all lien-holders and others on public record as holding claim to the land receive notice of all the steps leading up to and following a sale. Those individuals will also receive a copy of the final order, which includes the results of the sale.
- Currently costs associated with the notification process are paid by the county delinquent tax attorney.
- It is assumed the provisions of this legislation will shift the notification responsibilities currently executed by the delinquent tax attorney to the clerk of court; thus, shifting all costs associated with the notification to the clerk of court.
- This shift in cost will occur within local government. The net impact to local government is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/jrh